

STUDY GUIDE FOR CWM CERTIFICATION

AAFM India – A Glimpse

The American Academy of Financial Management® is a worldwide Board of Standards and financial professional organization, with members in 151+ countries offering exclusive certified designations, charters, and masters certification to candidates who meet the high standards. The American Academy of Financial Management® is an independent and the only truly worldwide graduate financial organization for financial managers, analysts, planners, faculty, investment executives and counselors.

AMERICAN ACADEMY OF FINANCIAL MANAGEMENT (AAFM®, US) after analyzing and understanding the needs of "Qualified Advisors" and challenges of Wealth Management Industry in India, has set up its Indian Chapter American Academy of Financial Management India. **American Academy of Financial Management India, AAFM India (AAFMI)** as a Standard Setting Body in India is working with the objective to promote Wealth Management and Financial Advisory Standards in the country. AAFM India is responsible for establishing Curriculum Design, Certification of membership and licensing standards in India. AAFM India offers various Certifications, Designations and other Educational Programs offered by AAFM® including the prestigious and highest designation globally recognized in the Field of Wealth Management "**CHARTERED WEALTH MANAGER® (CWM®)**".

About CWM Certification

CHARTERED WEALTH MANAGER® (CWM®) is unique and the only Wealth Management certification in India. This certification comprehensively deals with all the aspects of wealth management like Investment Strategies, Life Cycle Management, Intergenerational Wealth Transfer, Relationship Management, Behavioral Finance, Alternative Products, Real Estate Valuation and Global Taxation. In the recent times, the mandatory requirement posted by the financial services industry towards the skillful and knowledgeable candidates in the field of personal financial advisory services including wealth management has made it essential for a candidate to be well versed with all the aspects of wealth management. This certification enables the candidates to meet the current skill set needed by the industry and stand out of the crowd.

Key Benefits of CWM®

- Be able to explain the key regulatory drivers and their impact
- Understand the various portfolio selection techniques and the importance of balance in a portfolio
- Enhance your understanding of wealth management products
- Be part of Premium Large Member's Network of 50,000+ CWMs
- Understand the financial markets and the forces of change.
- Use of Board Certified Designations after your name on your Business Card and on your Promotional Materials
- Global Certification in true sense and **no territorial examination** required
- The CWM certification is an Industry Integrated program syncing with the existent industry business model of Wealth Management & Financial Advisory Services including Retail as well HNI client wealth management services.

Objectives of the Study Guide

A unique feature of the Student Hand Book is the Study Plan we have prepared for CWM® Candidates. This would help you to plan your studies in a more effective manner. Please Note that the Study Plan is based on our experience and each candidates needs and skill levels are different. Candidates are requested to make appropriate changes in the Study Plan as per their needs. This study guide is a series of rules and suggestions which, if followed, will help you to achieve the maximum results for your study efforts. Although there is no substitute for **HARD WORK** and a **DESIRE TO LEARN**, most of you can use your study time more efficiently. This study guide aims at:

- Giving you the directions for the course of study
- Making you understand the relevance of various topics and units from the Examination point of view
- Enabling you to do time management i.e. ideal time to be spent on a particular unit
- Working on Casio FC-200V
- Some simple tricks and tips to be kept in mind for the examination

CWM Examination Overview

Exam Name	Units Tested	Exam Date	Duration of the Exam	Compulsory Pathway	Experience Pathway
CWM – Level 1	1-10	Throughout the Month	180 Minutes	Yes	NA
CWM – Level 2	11-20 & 20% From Units 1-10	Throughout the Month	180 Minutes	Yes	Yes

STUDY PLAN FOR LEVEL 1

EXAM PATTERN

CWM Level 1 (Foundation Level)

The table sums up the section wise marks distribution CWM Level I Examination

Sections		Section A		Section B		Section C		Passing Criteria
Marks		No. Of Questions	Total Marks	No. Of Questions	Total Marks	No. Of Questions	Total Marks	50% i.e. a score of 80 in the examination (there is no negative marking)
	1	40	40	0	0	0	0	
	2	0	0	30	60	0	0	
	4	0	0	0	0	15	60	
Total		40	40	30	60	15	60	
CWM Level 1 Examination	Total Ques.	85	Total Marks	160				

Unit Wise Weightage in CWM – Level 1

Unit No.	Unit Name	1 Mark	2 Marks	4 Marks	Total Questions	Total Marks
1	Concept of Wealth Management	4	2	1	7	12
2	Indian and Global Financial System	3	3	1	7	13
3	Investment Vehicles in Wealth Management	5	4	2	11	21
4	Measuring Investment Risk and Returns	3	3	1	7	13
5	Concept of Insurance and Risk Management	3	3	2	8	17
6	Role of Wealth Management in Banking	2	2	1	5	10
7	Legalities in Wealth Management	2	2	1	5	10
8	Tax Laws	8	4	3	15	28
9	Life Cycle Management	4	3	2	9	18
10	Intergenerational Wealth Transfer and Succession Planning	6	4	1	11	18
		40	30	15	85	160

Unit 1

Concept of Wealth Management

The unit Concept of Wealth Management builds a base for the candidates to understand the Basic pattern and terminologies in Wealth Management. On-going through the unit you will learn “What is Wealth Management?”, “What are the processes we follow to advise a Client on Wealth Management?” The unit also includes the basic of financial mathematics we use in Wealth Management. Finally the unit covers the Wealth Management Industry Overview.

This unit carries 12 Marks from the total marks distributed among 7 Questions of 1, 2 and 4 marks.

This unit is very important as you learn the following:

1. Basic of Wealth Management
2. Process of Creating Wealth Plan
3. Personal Financial Statements
4. Use of Financial Calculator “Casio FC-200V”
5. Financial Mathematics

The above topics are essential for any Wealth Manager. Even for candidates registered under the Experience Pathway it is critical to learn the use of Financial Calculator and be proficient in solving numerical using it.

We strongly recommend that you practice the use of Financial Calculator Casio FC-200V as it is allowed in the examination and no other calculator or MS Excel is available during the exam.

The recommended study plan for this unit is:

Suggested Duration	Study Material	Important Topics	Remarks
1.5 Hours	Chapter 1 & 2	<ol style="list-style-type: none"> 1. Understanding Wealth Management 2. Wealth Management Verticals 3. Functions of a Wealth Manager 4. Wealth Management Process 5. Essentials of a Comprehensive Wealth Plan 6. Developing a Wealth Management Plan 	<p>Focus on understanding and remembering the Wealth Management process</p> <p>Learn how to prepare a Wealth Management Plan</p>
1.5 Hours	Chapter 3	<ol style="list-style-type: none"> 1. Preparing Personal Balance Sheet, Cash Flow Statement, Personal Budget. 2. Use of Personal Financial Statements in Wealth Management 3. Cash Flow Management 4. Implementing Budget 	<p>Focus on creating the Personal Financial Statements from Raw Client Data</p>
2.5 Hours	Chapter 4	<ol style="list-style-type: none"> 1. Understand the Concept of Time Value of Money 2. Frequency of Compounding 3. Preparing Time Lines 4. Interest Calculations using FC 5. Calculating PV and FV 	<p>Focus on using Casio FC-200V for various calculations</p> <p>Practice as many questions you can get</p>

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Suggested Duration	Study Material	Important Topics	Remarks
		6. Effective and Equivalent Rate of Return 7. Converting an Effective Interest Rate for a given period to other period 8. Converting Interest Rates Nominal to Effective and vice versa 9. Calculation of Real Rate of Interest and Tax Equivalent Return	Focus on improving your speed and accuracy in solving questions Use of CMPD Function
2.5 Hours	Chapter 5	1. Types of Annuities 2. Calculation of PV, FV, PMT of various types of annuities 3. Use of Capital Budgeting Techniques on Personal Finance 4. Calculation of: <ol style="list-style-type: none"> Profitability Index Net Present Value Internal Rate of Return Pay Back Period 5. Understand the difference between these methods	Focus on using Casio FC-200V for various calculations Practice as many questions you can get Focus on improving your speed and accuracy in solving questions Use of CMPD Function Use of CASH Function
1 Hour	Chapter 6	1. Types of Amortization 2. Understanding Loan Amortization and calculation of various parameters. 3. Calculation of Depreciation using different methods	Calculation of Loan Components using Financial Calculator Use of AMRT Function Use of DEPR Function
1 Hour	Chapter 7 & 8	1. Understanding sources of Wealth 2. Wealth management industry challenges 3. Concept of Family Offices 4. Wealth management in India 5. Digital technologies influencing Wealth management	Understanding Emergence of Wealth management in Indian and as well as International scenario
1/2 Hour	Chapter 9	1. Understanding trends in Wealth Management	Learning new Trends in Wealth management

Unit 2

Indian and Global Financial System

Overview of Indian and Global Financial System of CWM® Education Program the unit covers the environment in which the Wealth Manager works. It is important for a Wealth Manager to have a basic knowledge of the Financial and Economic Environment both locally and globally.

This unit covers Macro Economic Concepts like Inflation and Interest Rates, National Income Accounting, Fiscal Policy, Monetary Policy, Balance of Payments etc. The unit also covers topics like International Regulatory Environment, Forex Markets, Capital Markets, Economic Unions and International Financial Institutions etc.

This unit carries 13 marks distributed among 7 questions of 1, 2 and 4 marks.

Let's proceed to analyze each one of the topic as per the study sessions required to study them.

The recommended study plan for this unit is:

Suggested Duration	Study Material	Important Topics	Remarks
1 Hour	Chapter 1	<ol style="list-style-type: none"> 1. Understanding Financial system 2. Different types of markets 3. Flows within global economic system 4. Exchange Rate regime 	Focus on understanding Financial system, Financial markets, Financial structure, Financial Institutions etc.
1 Hour	Chapter 2	<ol style="list-style-type: none"> 1. Understanding various financial instruments, institutions and markets 2. Stock market Indices 3. Primary Vs. Secondary Market 4. Capital Market vs. Money Market 5. Integration of Financial Markets 	Try to understand the difference between various markets and instruments
1 Hour	Chapter 2 - Money Market	<ol style="list-style-type: none"> 1. Participants in Money Markets 2. Money Market Instrument 3. Bankers Acceptance 4. Certificate of Deposit 5. Repurchase Agreements 6. Commercial Paper 7. Treasury Bills 8. Role of Banks in Money Markets 	Try to understand the features and uses of various money market instruments
1 Hour	Chapter 2 - Capital Market	<ol style="list-style-type: none"> 1. Formation of Capital 2. Common Stock 3. Preferred Stock 4. Voting rights 5. Treasury Strip 6. Types of Bonds 7. Stock Market Indices 	Try to understand the features of Capital Market Instruments and also the difference between them
1 Hour	Chapter 2 - Forex Market	<ol style="list-style-type: none"> 1. Foreign Exchange Rate 2. Exchange Rate Conventions 	Focus on Exchange Rate Conventions and

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Suggested Duration	Study Material	Important Topics	Remarks
		<ol style="list-style-type: none"> 3. Currency Futures and Options 4. Currency SWAPS 5. Exchange Rate Systems 6. Determinants of FOREX Exchange Rates 	Determinants of Exchange Rates
1 Hour	Chapter 3	<ol style="list-style-type: none"> 1. Securities and Exchange Board of India 2. Reserve bank of India 3. Insurance regulatory and Development Authority 	Give more emphasis on understanding the impact of these financial institutions of Indian Economy
1.5 Hours	Chapter 4 and 5	<ol style="list-style-type: none"> 1. International Monetary Fund 2. World Bank Groups 3. The Bank For International Settlements 4. The institute of International Finance 5. Introduction and stages of Economic Integration 6. Economic unions 	Understanding International Financial Institutions and economic Integration
1 Hour	Chapter 6	<ol style="list-style-type: none"> 1. Difference between Macro and Micro Economics 2. Measures of Aggregate Demand 3. Measures of Aggregate Supply 4. Calculation of GDP and GNP 5. Impact of the Macroeconomic Variables on Financial Markets 6. Calculation of Measures of Inflation 7. Impact of Inflation on other Macro Economic Variables 	Concentrate on understanding and calculation of measures like GDP & GNP Also understand the impact of these measures on Financial Markets
1 Hour	Chapter 6	<ol style="list-style-type: none"> 1. Inflation 2. Measures of Inflation 3. Calculation of Measures of Inflation 4. Impact of Inflation on other Macro Economic Variables 5. Measures of controlling Inflation 6. Controlling Inflation through Interest Rates 	Impact of Inflation on Financial Markets Inflation and Interest Rates
1 Hour	Chapter 7 & 8	<ol style="list-style-type: none"> 1. Measures of National Income 2. Classification of National Accounts. 3. Computation of National Output and National Income 4. Numerical on GDP and GNP 5. Types of Fiscal Policy 6. Measures of Fiscal Deficit 	Understanding Important Economic Indicators Learning about Economic policies and measures

Suggested Duration	Study Material	Important Topics	Remarks
		<ol style="list-style-type: none"> 7. Impact of Fiscal Deficit on the Economy and Financial Markets. 8. Money Supply Measures M1,M2 and M3 9. Difference Between Monetary and Fiscal Policy 10. Difference Between Monetary and Fiscal Policy 11. Instruments of Monetary Policy 	
1 Hour	Chapter 9	<ol style="list-style-type: none"> 1. Absolute and Comparative Advantage 2. Tariff and Trade Barriers 3. Balance of Payments 4. BOP Accounts 5. Calculation of BOP 6. Types of Deficits 7. BOP impact on Currency Rates 8. Net International Investment Position 9. Types of Fund Flows 	Focus on International Trade and Balance of Payments
1.5 Hour	Chapter 10, 11 and 12	<ol style="list-style-type: none"> 1. Impact of Financial crisis on Wealth Management Industry 2. Financial crisis 2008 3. Indian Demonetization 2016 4. Ways of investing overseas 5. Taxation on Foreign Income 6. Investor Protection fund 7. Investor Awareness Programs 8. Important safeguards for the investors 	Learning about major financial crisis 2008 and Indian Demonetization 2016

Unit 3

Investment Vehicles in Wealth Management

This unit Investment Vehicles in Wealth Management will help you to learn about the different investment instrument available in the market. This unit includes all kinds of investment vehicle which an individual can use for the investment purpose. This unit includes wide range of Investment vehicles like Equity, Mutual funds, Real estate, Fixed Income instrument, Insurance, Derivatives, Small Saving Schemes, New Pension Schemes and Other Investment Products available.

This unit carries Total 21 marks divided among 11 Questions of 1, 2 and 4 marks.

The above topics are essential for any Wealth Manager. He must know about the number of Investment Vehicles available in the Market. A Wealth Manager should have a good knowledge of these Investment Vehicles.

We strongly recommend that you give appropriate time to the above mentioned topics as they includes the basics of the concerned chapter, You will learn most of the above mentioned topics in Level – 2 in details.

The recommended study plan for this unit is:

Duration	Study Material	Important Topics	Remarks
1 Hour	Chapter 1	<ol style="list-style-type: none"> 1. Understanding Investment Process 2. Introduction to various Financial Products 3. Classification of Financial Instruments 	Focus on understanding Investments and remembering various Financial Products
2 Hours	Chapter 2	<ol style="list-style-type: none"> 1. Types of Shares 2. Corporate actions like: Bonus shares, stock split 3. Valuation Method of Index like NIFTY and SENSEX 4. Valuation Model like Dividend Discount Model 5. CAPM, SML and CML 	<p>Focus on understanding the Valuation Method and Model</p> <p>Understand the concept of CAPM, SML and CML</p>
2 Hours	Chapter 3	<ol style="list-style-type: none"> 1. Fixed Income instruments 2. Types of Bonds and their Yield 3. Bond Valuation 4. Yield Curve 5. Risk in Bond Investment 6. Immunization 	<p>Focus on Concept of Types of Bond and it's Valuation</p> <p>Practice as many questions you can get</p> <p>Focus on improving your speed and accuracy in solving questions</p>
1 Hour	Chapter 4	<ol style="list-style-type: none"> 1. Concept of Real Estate 2. Factors Affecting Real Estate Valuation 3. Types of Loan Available 4. Real Estate Investment Trust (REIT's) 	Focus on understanding and Remembering of Concept of Real Estate

Duration	Study Material	Important Topics	Remarks
		5. Real Estate Mutual Fund (REMF)	Explore as much as you can about Factors Affecting Real Estate Valuation Focus on improving your speed and accuracy in solving questions
3 Hour	Chapter 5	<ol style="list-style-type: none"> 1. Mutual Fund 2. Working of Mutual Fund 3. Role & Objectives of Constituent of Mutual Fund 4. Types of Mutual Fund 5. Calculation of Net Asset Value 6. ETF; NFO; PMS 7. Valuation of Mutual Fund 	<p>Understanding about the concepts of Mutual Fund</p> <p>Explore as much as you can about working and types of mutual fund</p> <p>Emphasis must be given to calculation and valuation of mutual fund</p>
2 Hour	Chapter 6	<ol style="list-style-type: none"> 1. Derivative Products 2. Terms associated with Futures 3. Types of Arbitrage 4. Future Pricing 5. Difference between Futures and Options 6. Types of Options 7. Option Strategies 	<p>Emphasis Must be given to understand the Derivatives and Derivative Products</p> <p>Make sure you catch the concept of Derivatives and the Option Strategies</p> <p>Focus on improving your speed and accuracy in solving questions</p>
2 Hour	Chapter 7	<ol style="list-style-type: none"> 1. Importance of Small Saving Schemes 2. Types of Small Saving Schemes 3. Terms and Conditions of Post office Saving Account 4. Loan Facility, Maturity Period, Withdrawal Limits of each Saving Schemes must be done 5. Eligibility of NPS 6. Terms and Condition of NPS 	<p>Emphasis Must be given to understand the Derivatives and Derivative Products</p> <p>Make sure you catch the concept of Derivatives and the Option Strategies</p> <p>Focus on improving your speed and accuracy in solving questions</p>

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Duration	Study Material	Important Topics	Remarks
1 Hour	Chapter 8	<ol style="list-style-type: none">1. Non-Financial Assets like Precious Metals, Collectibles and Commodities2. Private Equity and Foreign currency securities	Focus and Remember the number of Non-financial Assets available and embrace them in your investment category
1 Hour	Chapter 9	<ol style="list-style-type: none">1. Comparison of Financial Instruments2. Difference between various investment avenues	Learn and understand about the difference between various investment products

Unit 4

Measuring Investment Risk and Returns

Measuring Investment Risk and Return in Wealth Management covers the different kinds of returns a wealth manager needs to deal with in the course of investment analysis and wealth planning. The decision on how much to invest, how the returns will be received, whether accumulated or not are all considered under this unit.

This unit covers Introduction of Return, Complexities of Return, Risk, Measurement of Risk, Portfolio Risk and Return, Risk Management, Risk Adjusted Returns etc.

Questions from this unit are mostly numerical with some theory concepts involved. Financial calculator is required for this unit.

This unit carries 13 marks from the total marks distributed among 7 questions of 1, 2 and 4 marks.

The recommended study plan for this unit is as follows:

Duration	Study Material	Important Topics	Remarks
1 Hour	Chapter 1	<ol style="list-style-type: none"> 1. Concept of return 2. Compounding rate of return 3. Arithmetic Mean 4. Geometric Mean 	Understanding Returns and different types of return
2 Hours	Chapter 2	<ol style="list-style-type: none"> 1. Annualized Rate of Return 2. Compounded Annual 3. Growth Rate (CAGR) 4. Internal Rate of Return (IRR) 5. Net Present Value (NPV) 6. Doubling Approximation 7. Inflation Adjusted Return 	Focus more on Understanding CAGR and Capital budgeting techniques Understanding Inflation adjusted returns
2.5 Hours	Chapter 3 & 4	<ol style="list-style-type: none"> 1. Types of Risk 2. Variance and Standard Deviation 3. Measures of Risk Dispersion 4. Value Added Risk 5. Co-efficient of Variation 6. Covariance 7. Co-efficient of correlation 8. Beta 	Understand various risks involved in an Investment Know the meaning & calculation of common risk measures Co-variance, Beta and Co-efficient of Correlation
1 Hour	Chapter 5	<ol style="list-style-type: none"> 1. Portfolio Diversification 2. Portfolio Risk 3. Portfolio Beta 4. Security Market Line 5. Capital Market line 6. Case study 	Try to understand the concept of Portfolio Risk & diversification Understand the concept of beta and investment decision
1 Hour	Chapter 6	<ol style="list-style-type: none"> 1. Product Diversification 2. Time Diversification 3. Hedging 4. Systematic Risk Calculation 	Try to understand the concept of Time Diversification, Hedging and Systematic Risk

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Duration	Study Material	Important Topics	Remarks
1 Hour	Chapter 7	<ol style="list-style-type: none">1. Risk Adjusted Return2. Jenson Measure3. Treynor Measure4. Sharp Ratio	Understand the measurement of portfolio & manager performance

Unit 5

Concept of Insurance and Risk Management

The unit Concept of Insurance and Risk Management will help you to understand that how you can manage the risk associated with the client's life and different tools and instrument which enable you to minimize or safeguard against these risks. After doing this unit you will be able to recommend the given instruments as per the requirement of the client and calculate the need of the life cover of client. In this unit you will learn about "What is insurance?", "Work Mechanism of Insurance?", "Types of Insurance Policy"? "How to use these insurance Instruments?"

After doing this unit you will be able to gauge the need of different kind of insurance required by the clients and its calculation.

This unit carries 17 marks out of total marks distributed among 8 questions of 1, 2 and 4 marks.

Wealth Manager must know how to eliminate the Financial Risk associated with the human life and this is one of the key instruments required for the Financial Planning of the client.

The recommended study plan for this unit is:

Duration	Study Material	Important Topics	Remarks
1 Hour	Chapter 1	<ol style="list-style-type: none"> 1. What is Insurance? 2. Mechanism of Insurance 3. Peril and Hazard 4. Insurable Risk 5. Fundamental Principal of Insurance 6. Risk Management 	Understand insurable risk and it's Management through Insurance
1 Hour	Chapter 2	<ol style="list-style-type: none"> 1. Features of Valid Contract 2. Characteristics of Insurance Contract 3. Insurance pricing and Premium Calculation 4. Selection of Insurance Product 5. Concept of Tort 	Focus on validity of Insurance contract, Insurance Pricing and its Premium Calculation
1 Hour	Chapter 3	<ol style="list-style-type: none"> 1. Identification of Risk Exposure 2. Analysis of Life Insurance Need (HLV & Need Based) 3. Types of Life Insurance Policy 4. Premium Calculation 5. Types of Riders 6. Calculation of Bonus, Claim Payable <ol style="list-style-type: none"> a. Claim Procedure b. Return on Insurance 	<p>Focus on Concept of Risk and Need Analysis of Insurance</p> <p>Practice as many questions you can get</p> <p>Focus on improving your speed and accuracy in solving questions</p> <p>Use of CMPD Function</p>
1 Hour	Chapter 4	<ol style="list-style-type: none"> 1. General Insurance 2. Concept of various general insurance like Marine, Fire, Motor etc. 	Focus on Concept of various general insurance like Marine, Fire, Motor,

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Duration	Study Material	Important Topics	Remarks
		<ol style="list-style-type: none"> 3. Concept of Health and Personal Insurance 4. Professional Indemnity Policy 5. Key man Insurance 6. Concept of Wealth Insurance and Life Insurance 	<p>Health and Personal Insurance</p> <p>Focus on how you can use these instrument with the investment advise</p>
1 Hour	Chapter 5	<ol style="list-style-type: none"> 1. Insurance Act, 1938 2. IRDA Act, 1999 & PMLA 2002 3. Married Women's Property (MWP) Act, 1874 4. Third Party Administrators (TPA) - Health Insurance 5. Concept of insurance intermediaries 	<p>Focus on using understanding the Legality of Insurance and Regulating acts of Insurance</p>
1 Hour	Chapter 6	<ol style="list-style-type: none"> 1. Insurance Mathematics 2. Concept of Insurance Premium 3. Calculation of Risk Premium 4. Calculation of Surrender Value and Paid up Value 	<p>Focus on using Concept Insurance Mathematics like Risk premium Calculation, Surrender Value and Paid-up Value calculation</p>
1 Hour	Chapter 7	<ol style="list-style-type: none"> 1. Life Insurance need in Wealth Management 2. Emergency Fund 3. Process of buying Insurance 	<p>Focus on understanding the need of insurance in Wealth Management</p> <p>Focus on analyzing the situation where you can use this instrument and increase your understanding about emergency fund</p>

Unit 6

Role of Wealth Management in Banking

The unit Role of Wealth management in banking will help you to understand that how Personal retail banking services are highly inculcated and Important for the efficient Wealth Management.. After doing this unit you will be able to recommend your both Domestic and NRI Clients regarding the different types of bank deposits they can have in a bank.

In this unit you will learn about Different modes of Withdrawal and transfer to and from your bank account. After doing this unit you will be able to know the Different types of Money laundering activities that are prevailing in the economy and learn how to cope up with them.

This unit carries 10 marks out of Total marks distributed among 5 questions of 1, 2 and 4 marks.

The recommended study plan for this unit is:

Duration	Study Material	Important Topics	Remarks
1 Hour	Chapter 1	<ol style="list-style-type: none"> 1. Characteristics and types of banks 2. Functions of commercial banks 3. Sources of bank's income 4. Balance sheet of a commercial bank 	You will learn about various types of banks prevailing in our economy and their roles
1 Hour	Chapter 2	<ol style="list-style-type: none"> 1. Economic terms associated with Banking 2. Credit Creation by banks 3. Credit control by banks 4. Methods of Credit Control 	How banks give credit and loans to people. What are the different methods of credit control
1 Hour	Chapter 3	<ol style="list-style-type: none"> 1. Rationale for Regulating banking markets 2. Basel I, II, III 3. The Banking Ombudsman scheme – India 	Learning about the most important framework in banking – BASEL Framework
1 Hour	Chapter 4	<ol style="list-style-type: none"> 1. Introduction to International Banking 2. Functions of interbank market 3. Off shore centers 	Understanding International banking framework
1 Hour	Chapter 5	<ol style="list-style-type: none"> 1. Process of Money Laundering 2. PMLA Act, 2002 3. Terrorist Financing 4. Know your customer standards 5. Customer Acceptance Policy 6. Customer Identification Procedure 7. Wire Transfer 	Learning about various customer standards and rights Understanding of Prevention of Money Laundering Act
1 Hour	Chapter 6	<ol style="list-style-type: none"> 1. Special types of customers 2. Banker customer relationship 3. Bank's right on customer account 4. Obligation of banker's 5. Banker's obligation of secrecy 	Understanding the relationship between customer and banks

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Duration	Study Material	Important Topics	Remarks
1 Hour	Chapter 7	<ol style="list-style-type: none"> 1. Different types of Bank deposits 2. Different types of bank accounts 3. Non Resident accounts 4. No frills account 5. Requirements to open and close accounts 6. Nomination of the Bank accounts 7. Insurance of Bank deposits (DICGC) 	<p>Various types of bank deposits which can be opened by residents and Nonresidents</p> <p>Conditions to open and close accounts</p> <p>Insurance of bank deposits</p>
1 hour	Chapter 8	<ol style="list-style-type: none"> 1. Clearing of cheques and Fund transfer 2. Main elements of Automatic clearing system 3. Crossing of cheques 4. Endorsement 5. Internet banking 6. Electronic Fund transfer 	<p>Understanding how to withdraw or transfer funds</p> <p>Crossing and Endorsement of cheques</p>
1hour	Chapter 9	<ol style="list-style-type: none"> 1. Retail banking in India and its products 2. Promotion and distribution channels of retail banking 3. Different types of loans granted by banks 4. Types of cards 5. Loan against bank deposits 	<p>Understanding various types of loans given by banks and loans against the deposits made in the banks</p>
1 hour	Chapter 10	<ol style="list-style-type: none"> 1. Performing and Non-Performing assets 2. Assets classification 3. SARFAESI Act 4. Enforcement of Security interest 5. Right to appeal 	<p>Learning about Performing and Non-performing assets in banks</p>
1 hour	Chapter 11	<ol style="list-style-type: none"> 1. Concept of Security creation 2. Pledge and hypothecation 3. Mortgage 	<p>Understanding the difference between Pledge, Mortgage and hypothecation</p>
1 hour	Chapter 12	<ol style="list-style-type: none"> 1. Credit Analysis 2. 7C's of Credit Analysis 3. Stages of Credit Analysis 	<p>Understanding the process of credit analysis</p> <p>Learn about the 7C's and stages of credit analysis</p>

Unit 7

Legalities in Wealth Management

The unit legalities in Wealth management will help you to understand that how a legal contract is developed between an Advisor and a client. After doing this unit you will be able to know, once entered into the contract what are the legal obligations of both the parties. You will also learn about the breach of the contract and its implications.

Various important acts like Payment of Gratuity Act, Employees Provident fund act, Insurance act etc. are also provided so that you learn more about legal acts prevailing currently.

At the end you will also learn about the grievance mechanism in case of some trust issues.

This unit carries 10 marks out of total marks distributed among 5 questions of 1, 2 and 4 marks.

The recommended study plan for this unit is:

Duration	Study Material	Important Topics	Remarks
½ hour	Chapter 1	<ol style="list-style-type: none"> 1. Law and Wealth Management 2. Sources of law 3. Methods of resolving civil disputes 	Understanding the relationship between law and wealth management
½ hour	Chapter 2	<ol style="list-style-type: none"> 1. Offer and Acceptance 2. Agreements v/s Contracts 3. Breach of contract 	Understanding the legal relationship between an advisor and a client
½ hour	Chapter 3	<ol style="list-style-type: none"> 1. Understanding law of agency 2. Obligations of the agent to the principal 	Learning how agent and the principle are responsible and accountable to each other
1 hour	Chapter 4	<ol style="list-style-type: none"> 1. What is a company 2. Classification of companies 3. Formation of a Company 4. Memorandum of Association and Article of Association 	Understanding Companies Act, 1956 and 2013
1 hour	Chapter 5	<ol style="list-style-type: none"> 1. Employees Provident fund act 2. Consumer Protection Act 3. Payment of Gratuity Act 4. Insurance Act, 1938 5. Married Women Property Act 6. Wills 7. Trusts 	Understanding various acts related to Personal Finance
½ hour	Chapter 6	<ol style="list-style-type: none"> 1. Islamic banking Principles 2. Deposits 3. Mode of Financing 4. Risk Management in Islamic Financial Institutions 	Understanding Islamic Banking Principles
1 hour	Chapter 7	<ol style="list-style-type: none"> 1. Investor Complaint Redressal 	Understanding the various

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Duration	Study Material	Important Topics	Remarks
		Mechanism India 2. Grievance Mechanism (SEBI) Ombudsman 3. Grievance Mechanism Mutual Funds 4. Insurance Grievance Mechanism – IRDAI 5. Investor Grievance Mechanism at Stock Exchanges 6. SCORES (SEBI Complaints Redressal System)	complain Redressal mechanism in India Learn about the grievance mechanism of SEBI; IRDA; SCORES etc.
1 hour	Chapter 8	1. Amendments / Clarifications in the Investment Advisor Regulations, 2013	Understanding Investment Advisor regulations
1 hour	Chapter 9	1. Ethical Code of Conduct for Investment Advisors 2. Ethical Dilemma 3. Fiduciary Responsibility of Investment Advisors 4. Rights, Do's and Don'ts for Investors Dealing in Securities Market – by SEBI	Understand about the Ethics for investment advisors Learn about the rights, do's, don'ts, responsibility of investment advisors

Unit 8

Tax Laws in Wealth Management

The unit Tax laws in Wealth management will help you to understand various Direct and Indirect Taxes. You will also learn about your and your client's residential status.

In this Unit you will learn about the different heads of Income classified under the Income Tax Act. You will also learn about the set off and carry forward of losses.

Once you are clear with this you'll get to know various deductions available under various sections on your taxable Income. You will also able to know, how to file your Income Tax Returns.

This unit carries 28 marks out of total marks distributed among 15 questions distributed among 1, 2 and 4 marks.

The recommended study plan for this unit is:

Duration	Study Material	Important Topics	Remarks
1 hour	Chapter 1	<ol style="list-style-type: none"> 1. Definition of Tax, Direct Taxes and Indirect Taxes 2. Principles of Taxation and Tax system 	Understanding various types of tax imposed on an individual in the Indian Income Tax Act
1 hour	Chapter 2	<ol style="list-style-type: none"> 1. Who should pay Income Tax 2. Definition of Assessee 3. Definition of Previous year and Assessment year 	Learning about the assessee in the previous and assessment year
1 hour	Chapter 3	<ol style="list-style-type: none"> 1. Residential status of an Individual in India 2. Criteria for Indian Income 3. Receipt of Income 4. Accrual of Income 	Knowing about the Residential status of an Individual
2 hours	Chapter 4	<ol style="list-style-type: none"> 1. Meaning and scope of salary income 2. Allowances and perquisites 3. Retirement benefits and their tax treatment 4. Deductions under various sections 5. Computation of Income tax on salary 	<p>Understanding more about the income from salary</p> <p>Knowing about various allowances and deductions we can take on our taxable Total income</p>
2 hours	Chapter 5	<ol style="list-style-type: none"> 1. Conditions necessary for Taxing Income from House Property 2. Computation of Income from Let Out Property 3. Deductions Under Section 24 4. Computation of Income from Self-Occupied House Property 	Understanding more about the income from House Property and knowing about different tax on different types of house property
2 hours	Chapter 6	<ol style="list-style-type: none"> 1. Computation of Income from business and profession 	Understanding more about the income from Business

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Duration	Study Material	Important Topics	Remarks
		<ol style="list-style-type: none"> Expenses admissible / non admissible as deduction Method of accounting 	and profession
2 hours	Chapter 7	<ol style="list-style-type: none"> Conditions for charging capital gains Computation of Capital gains Exemption from capital gains Transfer of Bonus shares Conversion of Capital Asset 	<p>Understanding more about the income from Capital gains</p> <p>Knowing about taxation of Bonus and rights shares</p>
2 hours	Chapter 8	<ol style="list-style-type: none"> Taxability of dividend and deemed dividend Bonus Stripping 	Understanding more about the taxable income from other sources
1 hour	Chapter 9	<ol style="list-style-type: none"> Cases of Clubbing Income of spouse Income from assets transferred to a person for the benefit of spouse 	Understanding how a couple's income is clubbed
1 hour	Chapter 10	<ol style="list-style-type: none"> Steps in set off and carry forwards Inter-source Adjustment Inter-head adjustment 	Learning about adjustment, set off and carry forward of losses in the future
1.5 hour	Chapter 11	<ol style="list-style-type: none"> Classification of Deductions Taxation of Withdrawal of NPS Sukanya Samriddhi Yojana 	<p>Knowing about the deductions we can claim on our taxable income.</p> <p>Understanding NPS and Sukanya Samriddhi Yojana</p>
1 hour	Chapter 12	<ol style="list-style-type: none"> Tax Deducted at Source TDS Certificate Tax Deduction Account Number TDS Rate and Traces 	Understanding of the TDS; TDS Certificate; TAN; TDS Rate and Traces
½ hour	Chapter 13	Understanding Tax Planning, Tax Avoidance, Tax Evasion, and Tax Management	Understanding Tax Planning, Tax Avoidance, Tax Evasion, and Tax Management
½ hour	Chapter 14	<ol style="list-style-type: none"> Due dates for filing of Income Tax Returns Interest for deferment of Advance Tax 	Learning about the due dates of filing Income tax returns
1 hour	Chapter 15	<ol style="list-style-type: none"> ESOP's Taxation of Sovereign Gold Bonds Taxation of NPS Taxation of AIFs Taxation of REIT Taxation of Infrastructure Investment 	Understand about the taxation of ESOPs, SGB, NPS, AIFs, REITs etc.

Duration	Study Material	Important Topics	Remarks
		Trusts 7. Taxation of LICs	
1 hour	Chapter 16	<ol style="list-style-type: none"> 1. Tax Applicability on Bonus Issues 2. Tax Applicability on Right Shares 3. Tax Applicability on Split Shares 4. Tax Applicability on Buy-back of Shares 5. Tax Applicability on Liquidation of Companies 6. Tax Applicability on Mergers and Acquisitions of Securities 7. Tax Applicability on Stock Lending and Borrowing 8. Tax Applicability in case of Segregated Portfolio in Mutual Funds 9. Tax Liability in case of Winding-up of Mutual Fund Schemes 	Understand about the various tax applicability of bonus issues; right shares; split shares; buy-back of shares; liquidation of companies; M&A of securities; stock lending & borrowing, etc.

Unit 9

Life Cycle Management

The unit Life cycle management will help you to understand various financial stages in a person's life.

In this Unit you will learn how to estimate your expenses at the retirement. You will also come to know about various retirement benefits available to an individual.

This unit carries 18 marks out of total marks distributed among 9 questions of 1, 2 and 4 marks.

The recommended study plan for this unit is:

Duration	Study Material	Important Topics	Remarks
½ hour	Chapter 1	<ol style="list-style-type: none"> 1. The Financial Stages of Life 2. Factors that affect the life stages 	Understanding the various stages in a person's financial life cycle
½ hour	Chapter 2	<ol style="list-style-type: none"> 1. Wealth Creation 2. Human Capital 3. Case studies for Human Capital and Financial Capital 4. Understanding Inflation 	Understand the concepts of wealth creation and human capital Understanding Inflation
1 hour	Chapter 3	<ol style="list-style-type: none"> 1. Retirement Planning 2. Issues in Retirement Planning 3. Relationship of Retirement Planning with other Financial Goals 4. Retirement Planning Process 	Learning about retirement issues and how to tackle with them Learning about the process of retirement planning
1 hour	Chapter 4	<ol style="list-style-type: none"> 1. Defined Benefit plan 2. Defined Contribution Plan 3. Hybrid Plan 	Understanding retirement benefits and plans
½ hour	Chapter 5	<ol style="list-style-type: none"> 1. Gratuity 2. Leave Encashment 3. Voluntary Retirement Planning 	Understanding the gratuity receivable to an employee Learn about the VRS
1 hour	Chapter 6	<ol style="list-style-type: none"> 1. Employee Provident Fund 2. Employee Pension Scheme 3. National Pension Scheme 	Understanding EPF, EPS and NPS
½ hour	Chapter 7	<ol style="list-style-type: none"> 1. Super Annuation 	Understanding superannuation retirement plans
½ hour	Chapter 8	<ol style="list-style-type: none"> 1. Types of Group Insurance Schemes 	Learning about the different group life and health insurance schemes
1 hour	Chapter 9	<ol style="list-style-type: none"> 1. Retirement Need Analysis 2. Retirement Objectives 	Analyzing how much expenses are required by an individual at

Duration	Study Material	Important Topics	Remarks
		3. Estimation of Retirement Expenses	the time of his/her retirement
1 hour	Chapter 10	1. Accumulation Stage 2. Retirement Stage	Learning about the accumulation and distribution age Learning how distribution age begins at the retirement and how the corpus is accumulated throughout the accumulation age
1 hour	Chapter 11	1. Life Cycle Investment Model 2. Lifetime Consumption	Learn about the life cycle investment advice model Focus on the lifetime consumption

Unit 10**Intergenerational Wealth Transfer and Tax Planning**

The unit Inter-generational Wealth Transfer and Tax Planning will help you to understand various tools and instruments to do your Estate Planning and help your clients also in that.

You will also learn about the imposition of Wealth tax along with the valuation date and its assessment.

This unit carries 18 marks from total distributed among 11 questions of 1, 2 and 4 marks.

The recommended study plan for this unit is:

Duration	Study Material	Important Topics	Remarks
1 hour	Chapter 1	<ol style="list-style-type: none"> Will Kinds of Will Contents of Will Probate of Will Succession Certificate 	<p>Understanding the Will</p> <p>Understand the usefulness of will and how to prepare will</p>
1 hour	Chapter 2	<ol style="list-style-type: none"> The Hindu Succession Act 1956 Succession of a Hindu Male dying Intestate 	<p>Understanding various succession acts prevailing in the Indian Law</p>
1 hour	Chapter 3	<ol style="list-style-type: none"> Mortgage Lease Hire Purchase Power of Attorney 	<p>Learning about various modes of transferring property</p>
1 hour	Chapter 4	<ol style="list-style-type: none"> Trust Distinction between private and public trusts Formation of Public, Religious & Charitable Trusts Tax Planning through Trusts Taxation of Trust 	<p>Understanding different types of trusts that can be established and their taxation aspects</p>
1 hour	Chapter 5	<ol style="list-style-type: none"> Private Trust Rights and powers of trustees Liability of trustees for breach of trust Revocation of Trusts 	<p>Understanding trustees and their powers</p> <p>Learning how a trust can be revoked</p>
1 hour	Chapter 6	<ol style="list-style-type: none"> Asset Protection trust Life Insurance Trust in India Special Child Needs Trust 	<p>Understanding about the various other types of trust</p> <p>Learn about the special trusts</p>
1 hour	Chapter 7	<ol style="list-style-type: none"> Society as a Form of Charitable Organization Memorandum of Association Vesting of Property of Society Suits against Society 	<p>Understanding society as charitable organization</p> <p>Learn about MOA; suits against & for society</p>

1 hour	Chapter 8	<ol style="list-style-type: none">1. HUF2. Coparceners3. Taxable Income of HUF4. HUF and Joint Family Property	Understanding the Hindu Undivided Family Act Learn about the nucleus & Karta of HUF Understand the HUF and joint family property
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Study Plan for Level 2

EXAM PATTERN

CWM Level 2 (Advanced Level)

The table sums up the section wise marks distribution CWM Level 2 Examination

Sections		Section A		Section B		Section C		Passing Criteria
Marks		No. Of Questions	Total Marks	No. Of Questions	Total Marks	No. Of Questions	Total Marks	50% i.e. a score of 80 in the examination (there is no negative marking)
	1	40	40	0	0	0	0	
	2	0	0	30	60	0	0	
	4	0	0	0	0	15	60	
Total		40	40	30	60	15	60	
CWM Level 1 Examination	Total Ques.	85	Total Marks	160				

Unit Wise Weightage in CWM – Level 2

Unit No.	Unit Name	1 Mark	2 Marks	4 Marks	Total Questions	Total Marks
1	Equity Analysis	3	2	3	8	19
2	Alternative Products	4	3	2	9	18
3	Real Estate Valuation and Analysis	3	2	0	5	7
4	Behavioural Finance	4	2	1	7	12
5	Relationship Management by a Wealth Manager	3	5	0	8	13
6	Loan and Debt Management	4	1	0	5	6
7	Portfolio Management Strategies	3	3	1	7	13
8	International Tax and Trust Planning	2	4	1	7	14
9	Wealth Management Planning	4	2	0	6	8
10	Advanced Wealth Management	0	0	5	5	20
Level1	Level1 (Unit 1- Unit 10)	10	6	2	18	30
	Total	40	30	15	85	160

Unit 1**Equity Markets and Structures**

This unit builds a foundation to understand what actually are the Equity markets and defining the stocks. Candidates can learn more about Stock market Indices and their value composition. It will help to develop your understanding about the various Stock market Indices in India.

You will also learn about analysing stocks on the basis of their fundamental and technical analysis. Various equity valuation models have been also explained very beautifully to know more about the equity markets.

This unit carries total 19 marks distributed among 8 questions of 1, 2 and 4 marks.

The recommended study plan for this unit is as follows:

Duration	Study Material	Important Topics	Remarks
1 hour	Chapter 1	<ol style="list-style-type: none"> 1. Introduction to stocks 2. Stock Market Indices 3. Stocks market Indices in India 	<p>Understanding about the stock market</p> <p>Learning about the stock market Indices and their valuation</p>
2 hours	Chapter 2	<ol style="list-style-type: none"> 1. Fundamental analysis 2. Approaches to Equity Valuation 3. Economic Analysis 	<p>Learning about the fundamentals of the stock</p> <p>Understanding various economic indicators</p>
1 hour	Chapter 3	<ol style="list-style-type: none"> 1. Classification of Industry 2. Life cycle of an Industry 3. Porter's Five forces model 	<p>Understanding about the industry the particular stock lives in</p> <p>Learning the stages of Industrial life cycle and Five forces model</p>
1 hour	Chapter 4	<ol style="list-style-type: none"> 1. Types of Financial Statement analysis 2. Comparative Statements 3. Common size investments 4. Trend ratios 5. Ratio analysis 6. DUPONT Analysis 	Analyzing the Company's financial statements and identification of trends
2-3 hours	Chapter 5	<ol style="list-style-type: none"> 1. Dividend Discount Models 2. Free cash flows to equity model 3. Relative Corporate valuation model 	<p>Computing whether invest in a share or not</p> <p>Understanding whether the share is undervalued or overvalued.</p> <p>Learning about the intrinsic value of the share</p>
1 hour	Chapter 6	<ol style="list-style-type: none"> 1. Fundamental analysis v/s Technical analysis 2. 15 Golden Rules for Traders 3. 20 Rules to Stop Losing Money 	<p>Understand about the technical analysis</p> <p>What to choose- fundamental analysis or technical analysis?</p>

Duration	Study Material	Important Topics	Remarks
1-2 hours	Chapter 7	<ol style="list-style-type: none"> 1. Various Types of Price Charts 2. Candle Stick Formation and Its Types 3. Chart Patterns and their Study 4. Methods to establish Support and Resistance? 	<p>Understanding various types of charts patterns and trends</p> <p>Learning about the support and resistance levels</p>
1-2 hour	Chapter 8	<ol style="list-style-type: none"> 1. Moving Averages 2. Relative Strength index 3. Stochastic oscillator 	Understanding different technical indicators and their usefulness
1 hour	Chapter 9	<ol style="list-style-type: none"> 1. Gaps and gaps analysis 2. Momentum 3. Ease of movement 	Learning other technical indicators and their uses
1-2 hour	Chapter 10	<ol style="list-style-type: none"> 1. Introduction to Dow theory 2. Stages of Primary Bull Markets and Primary Bear Markets 3. Elliot Wave Theory 	<p>Understanding theories for equity valuation</p> <p>Learning about Bear and bull markets</p>

Unit 2

Alternative Products in Wealth Management

This unit describes the modern investment avenues in the wealth management. Unlike conventional investment ideas, these products possess special types of characteristics ideal for different types of investors.

This unit explains the most useful and important instrument known as Derivative products consisting of options and swaps. This unit also consists of another important alternative products like Hedge funds, Private equity and venture capital.

This unit carries 18 marks distributed among 9 questions of 1, 2 and 4 marks.

The recommended study plan for this unit is as follows :

Duration	Study Material	Important Topics	Remarks
2-3 hours	Chapter 1	<ol style="list-style-type: none"> 1. Introduction to options 2. Risk hedging and return enhancing strategies in options 3. Options Pricing 	Understanding various derivative products Learning about options and swaps, along with their pricing
1-2 hours	Chapter 2	<ol style="list-style-type: none"> 1. The Alternative Asset Class Universe 2. Alternative Assets for Average Investors 3. Alpha versus Beta 4. Broad categories of alpha drivers 	Focus more on understanding, which type of Alternative assets are suitable for which type of investors
1 hour	Chapter 3	<ol style="list-style-type: none"> 1. Hedge funds 2. Hedge fund strategies 3. Issues with Hedge fund Index construction 	Understanding Hedge Funds and its strategies
1.5 hour	Chapter 4	<ol style="list-style-type: none"> 1. Introduction to commodities 2. Investing in Commodity futures 3. Portfolio optimization with commodities 	Learning about investment in Commodity market and the risks associated Constructing Portfolio using Commodity products
2 hour	Chapter 5	<ol style="list-style-type: none"> 1. Introduction to Private Equity 2. Venture Capital Investment vehicles 3. Stages of Financing 4. Measuring Private Equity Performance 	Understanding Private equity and venture capital How financing is done in various stages
1 hour	Chapter 6	<ol style="list-style-type: none"> 1. Credit Risk 2. Credit Options 3. Collateralized Debt obligations 	Learning about Credit Derivatives and its products
1 hour	Chapter 7	<ol style="list-style-type: none"> 1. Introduction to structured products 2. Structured products and other Investment strategies 3. Diversification in Structured Products 	Understanding structured products and diversification in the structured products

Duration	Study Material	Important Topics	Remarks
1-2 hours	Chapter 8	<ol style="list-style-type: none"> 1. Alternatives as Portfolio diversifiers 2. Alternative strategies for your clients 3. Elements of potential portfolio diversification 	Learning, alternative assets show potential to diversify your portfolio
1 hour	Chapter 9	<ol style="list-style-type: none"> 1. Defining Alternative Investment funds as per SEBI 2. Investment conditions and restrictions 3. Main Investment conditions specified for each category of AIF 	Understanding Alternative Investment funds

Unit 3**Real Estate Valuation and Analysis**

This unit build your knowledge about the Real Estate market In India and different ways of investing in real estate. This explains the real estate cycle and how the market value of a Real estate property is computed.

This also explains the Real Estate Investment Trusts and Real Estate Mutual Funds.

This unit carries 7 marks distributed among 5 questions of 1 and 2 marks.

The recommended study plan for this unit is as follows:

Duration	Study Material	Important Topics	Remarks
1-2 hour	Chapter 1	1. Concept and meaning of Real Estate 2. Comparing Real Estate to other Investments	Understanding Real estate viz a viz other Investments
1-2 hour	Chapter 2	1. Types of Direct and indirect Real Estate Investment 2. Real estate Debt investing 3. The real estate cycle 4. Determinants of Real Estate value	Understanding different ways of investing in Real Estate
1 hour	Chapter 3	1. Types of Real Estate Indices 2. NHB Residex 3. CNX Realty Index	Learning about various Real Estate benchmarks
1-2 hour	Chapter 4	1. Mezzanine Financing in real estate 2. Types of Mortgages in India 3. Home loan procedure in India 4. Interest rate calculation 5. How to choose home loan?	Understanding different types of mortgages and Home Loan procedure In India
1 hour	Chapter 5	1. The four value forces 2. Market segmentation 3. Market analysis 4. Types and sources of data	Understanding Real Estate markets and its analysis
1-2 hours	Chapter 6	1. Principles of real estate valuation 2. Appraisal methods 3. Choice of Real Estate Investment for purpose of renting	Learning how to choose real estate property for Investment purposes
½ hour	Chapter 7	1. Highest and best use analysis 2. Investment value vs. Market value 3. Cap rates	Understanding various issues in Real Estate Investment
2 hours	Chapter 8	1. Types of Real Estate Investment trusts 2. REIT's in India 3. Real Estate Mutual fund	Understanding Real Estate Investment trusts and Real estate Mutual Funds

Duration	Study Material	Important Topics	Remarks
1 hour	Chapter 9	<ol style="list-style-type: none">1. Diversification2. Inflation hedge3. risk reduction in Real Estate	Understanding how to Include Real Estate property in your Investment portfolio
½ hour	Chapter 10	<ol style="list-style-type: none">1. Indian Real Estate Sector2. Real Estate Funds in India3. Participants in India Real Estate Sector	Knowing about the participants in the real estate sector

Unit 4

Behavioural Finance in Wealth Management

This unit focuses on some Behavioural issues in Human Psychology while Investing. This unit builds an understanding about different biases and thoughts which come into one's mind before and after investing.

It explains a person's psychology and state of mind in the event of joy/sorrow.

This unit carries 12 marks distributed among 7 questions of 1, 2 and 4 marks.

The recommended study plan for this unit is as follows:

Duration	Study Material	Important Topics	Remarks
2 hours	Chapter 1	<ol style="list-style-type: none"> 1. Efficient Market Hypothesis 2. Utility Preference theory 3. The Prospect Theory 	Understanding Efficient market hypothesis Learning various theories related to the personal finance
2 hours	Chapter 2	<ol style="list-style-type: none"> 1. Anchoring and Adjustment heuristics 2. Availability heuristics 3. Various Types of Bias 	Understanding Different types of Heuristics and Biases
2 hour	Chapter 3	<ol style="list-style-type: none"> 1. Disposition effect 2. Endowment Bias 3. In Equity reversion 4. Reciprocity 5. Present Biased Preferences 6. Sunk cost fallacy 	Learning about various anomalies in Economic Behaviour
1.5 hour	Chapter 4	<ol style="list-style-type: none"> 1. Equity Puzzle 2. Dividend Puzzle 3. Calendar Anomaly 	Learning about various anomalies in market prices
1 hour	Chapter 5	<ol style="list-style-type: none"> 1. Group behavior 2. Confirmation bias 3. Herd Behaviour 	Understanding Herd behaviour and its consequences
2 hours	Chapter 6	<ol style="list-style-type: none"> 1. Psychographic Model 2. Kaiser five way model 	Learning about different investment styles in Behavioural finance
1 hour	Chapter 7	<ol style="list-style-type: none"> 1. Role of Emotions in Goal Setting 2. Home Country Bias 3. Nudge 	Understand the behavioural finance in practice Learn about the role of goal setting & nudge
1 hour	Chapter 8	<ol style="list-style-type: none"> 1. Case Studies on Behavioural Finance 	Understand the real life application of behavioural finance with

			the help of case studies
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Unit 5

Relationship Management by a Wealth Manger

The unit Relationship management by a Wealth Manager builds a knowledge about customer and bank's relationship management. How the process is implemented. This unit consists of the customer portfolios and the management of those portfolios.

It revolves around the customer life cycle, customer acquisition and customer retention.

This unit carries 13 marks from total marks distributed among 8 questions of 1 and 2 marks.

The recommended study plan for this unit is as follows:

Duration	Study Material	Important Topics	Remarks
1 hour	Chapter 1	<ol style="list-style-type: none"> 1. Introduction to CRM 2. Core Providers 3. Seeing Real return on CRM Investment 	Understanding relationship between CRM and Wealth management
1 hour	Chapter 2	<ol style="list-style-type: none"> 1. Types of CRM 2. Models of CRM 	Understanding Models of Customer relationship management
1 hour	Chapter 3	<ol style="list-style-type: none"> 1. Five phases of Portfolio Relationships 2. Relationship management strategies 	Strategies of customer relationship management
1 hour	Chapter 4	<ol style="list-style-type: none"> 1. Develop the CRM Strategy 2. Implement Project 3. Evaluate Performance 	Implementing customer relationship management
1 hour	Chapter 5	<ol style="list-style-type: none"> 1. Sources of customer value 2. Service quality 3. The complaints management process 4. Value from channels 	Understanding value for customers
1 hour	Chapter 6	<ol style="list-style-type: none"> 1. Basic disciplines for CPM 2. Market segmentation 3. Customer Portfolio Models 	Learning management of customer portfolio
1 hour	Chapter 7	<ol style="list-style-type: none"> 1. Experience mapping 2. Process mapping 3. Customer experience and the role of CRM 	Understanding techniques of CRM
1 hour	Chapter 8	<ol style="list-style-type: none"> 1. New Customer 2. Prospecting 3. Advertising 	Advertisement and acquiring new customers
1 hour	Chapter 9	<ol style="list-style-type: none"> 1. Manage customer retention or value retention 2. Which customers to retain 	Acquisition and retention of customers

Duration	Study Material	Important Topics	Remarks
		3. Key performance indicators of customer retention programs	
1 hour	Chapter 10	1. Network Position 2. Business networks and CRM	Understanding network positions
1 hour	Chapter 11	1. Owner and Investor relationships 2. The service profit chain	Learning management of relationships
1 hour	Chapter 12	1. CRM Technology 2. The CRM Ecosystem	Learning the CRM Ecosystem
1 hour	Chapter 13	1. Tactical marketing planning for Wealth Management firms 2. Critical skills for client meetings	Understanding Advanced selling skills

Unit 6

Loan and Debt Management

The unit Loan and Debt management builds a base around the different types of credit facilities provided by the Financial Institutions. Learn how the loan procedure is initiated and evaluation of credit is done.

We also learn about the loan amortization over the period and various tax implications of the loan.

This unit carries 6 marks from total distributed among 5 questions of 1 and 2 marks.

The recommended study plan for this unit is as follows:

Duration	Study Material	Important Topics	Remarks
1 hour	Chapter 1	1. Types of Credit 2. Types of Loans	Learning the types of loans
½ hour	Chapter 2	1. Credit Facilities to Individuals 2. Credit Card 3. Various Types of Loans	Learning types of credit facilities available
1 hour	Chapter 3	1. Credit Initiation and Analysis Process 2. Credit Underwriting 3. Evaluation of the Credit Process	Credit Initiation process and its evaluation
½ hour	Chapter 4	1. Credit Bureaus in India 2. CIBIL 3. Equifax	Understanding credit bureaus
½ hour	Chapter 5	1. Introduction to Debt Consolidation 2. Borrowing against your Life Insurance Policy	Understanding debt consolidation
2 hours	Chapter 6	1. Fixed and floating Interest rate home loans 2. Flat and declining balance methods 3. Amortization 4. Equated monthly installment	Understanding Loan Amortization Understanding AMRT mode in FC -200V
1 hour	Chapter 7	1. Estimation of gross working capital 2. Computation of net working capital 3. Margins 4. Bank guarantees 5. Letter of credit	Understanding Working Capital and bank guarantees
½ hour	Chapter 8	1. Redressal Mechanism for Consumer Credit 2. Banking Ombudsman Scheme	Learning handling grievances
1 hour	Chapter 9	1. Section 24, Section 80E, Section 80C	Understanding tax deductions while taking loan

Unit 7**Portfolio Management Strategies**

This unit builds a foundation to understand management of the portfolio for the customer. We learn about various types of Investment risks and investment returns. This unit consists of various asset pricing models and management of risk through diversification.

This unit carries 13 marks out of total distributed among 7 questions of 1, 2 and 4 marks.

The recommended study plan for this unit is as follows:

Duration	Study Material	Important Topics	Remarks
1-2 hours	Chapter 1	<ol style="list-style-type: none"> 1. Concept of Investment activity 2. Individual Investor lifecycle 3. Portfolio management process 4. Investment objectives 5. Investment constraints 6. Portfolio optimization 7. Performance optimization 	Understanding investor requirements and Portfolio management
1 hour	Chapter 2	<ol style="list-style-type: none"> 1. Portfolio Manager 2. Structure of PM in India 3. SEBI Regulations 	Understand about the project manager Learn about the structure of PMS in India
2 hours	Chapter 3	<ol style="list-style-type: none"> 1. Concepts of Investment Risk 2. Types of Investment Risk 	Understanding different types of Investment risk
2-3 hours	Chapter 4	<ol style="list-style-type: none"> 1. Concepts of Investment Return 2. Simple and compounded returns 3. Post tax returns 4. Risk adjusted rate of return 5. Holding period returns 6. Long term capital gains 	Understanding different types of Investment returns
2-3 hours	Chapter 5	<ol style="list-style-type: none"> 1. Measurement of Investment Risk 2. Risk measures for equity 3. Standard Deviation and Variance 4. Coefficient of Variation 5. BETA 6. Risk Measures for Debt 7. Duration Measures 8. Convexity 	Focus on measures of risk and bond duration
2 hours	Chapter 6	<ol style="list-style-type: none"> 1. Risk and Diversification 2. Diversification and the Elimination of Unsystematic Risk 	Understanding Portfolio diversification
2-3 hours	Chapter 7	<ol style="list-style-type: none"> 1. Markowitz Portfolio Theory 2. Capital Market Theory 	Learning Asset pricing models

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Duration	Study Material	Important Topics	Remarks
		<ol style="list-style-type: none"> Capital Asset Pricing Model Capital Asset Pricing Model V/s the Arbitrage Pricing Theory 	
2 hours	Chapter 8	<ol style="list-style-type: none"> Concept of Asset Allocation & its Importance Strategic asset allocation Strategic Asset Allocation v/s Tactical Asset Allocation Steps in Asset Allocation 	Understanding asset allocation and types of asset allocation
2 hours	Chapter 9	<ol style="list-style-type: none"> Passive vs. Active Management Methods of Passive Investing Methods of Active Equity investing Equity Styles Other Active Management Styles 	Understanding Equity Portfolio management Learning about the various Active and passive management styles
2 hours	Chapter 10	<ol style="list-style-type: none"> Passive Management Strategies Active Management Strategies Immunization Strategies 	Understanding Fixed Income portfolio management
1 hour	Chapter 11	<ol style="list-style-type: none"> Costs of Rebalancing Types of Rebalancing Strategies 	Learning Portfolio Rebalancing Strategies
½ hour	Chapter 12	<ol style="list-style-type: none"> Key Considerations of ALM for Wealth Managers Asset-Only v/s Asset Liability Management Approach 	Understanding Asset Liability management

Unit 8

International Tax and Trust Planning

This unit builds a foundation to understand the Taxation structure in other countries viz a viz India. This unit focus mostly on NRIs for their effective taxation planning in order to prevent the Double Tax on their income.

It also explains taxation planning through trusts.

This unit carries 14 marks out of total distributed among 7 questions of 1, 2 and 4 marks. The recommended study plan for this unit is as follows:

Duration	Study Material	Important Topics	Remarks
1 hour	Chapter 1	<ol style="list-style-type: none"> 1. Essential Concepts in international taxation 2. Tax principles in an International environment 3. Tax planning in Multinational Groups of Companies 	Understanding International Taxation
2 hours	Chapter 2	<ol style="list-style-type: none"> 1. Taxation structure in US & UK 2. Taxation structure in Mauritius 3. Taxation structure in Singapore 4. Taxation structure in UAE 	Different taxation structures in different countries
2 hours	Chapter 3	<ol style="list-style-type: none"> 1. Introduction to Double Taxation 2. DTA Agreements between India and others 3. Taxation of business profits under DTA Agreement 	Learning Concept of double taxation
1.5 hours	Chapter 4	<ol style="list-style-type: none"> 1. Tax Avoidance Agreement 2. DTA Agreement with USA 3. DTA agreement with Singapore 4. DTA Agreement with Singapore 	Understanding DTA Agreements of India with different countries
1 hour	Chapter 5	<ol style="list-style-type: none"> 1. Transfer Pricing in India 2. Computation of Arm's Length Price 3. Trends of Transfer Pricing in India 	Understand about the transfer pricing in India Learn about the computation and trends of transfer pricing in India
2 hours	Chapter 6	<ol style="list-style-type: none"> 1. NRI definition under the income - tax act, 1961 2. Long / Short term capital gain on sale of shares, debentures & securities 3. Capital Gain Arising from Sale of Residential Property 4. Long Term Capital Gains of Immovable Property & Other Assets 5. Tax free income for NRIs under I.T. Act. 	Learning taxation for Non-resident Indians Understanding short term and long term capital gains for NRIs.

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1 hour	Chapter 7	<ol style="list-style-type: none">1. Purposes of Trusts2. Types of Trusts3. Tax planning for different Family Structures	Understanding tax planning through trusts

Unit 9

Wealth Management Planning

This unit – Wealth Management planning deals with the most recent researches and approaches to wealth management. It discusses the profitability drivers and client acquisition and retention strategies.

This unit carries 8 marks out of total distributed among 6 questions of 1 and 2 marks.

The recommended study plan for this unit is as follows:

Duration	Study Material	Important Topics	Remarks
½ hour	Chapter 1	1. Various aspects of Wealth Management 2. Difference between Financial Planning and Wealth Management	Understanding Wealth management in the current scenario
½ hour	Chapter 2	1. Products and services in Wealth Management 2. Snapshot of Wealth Management Firms in India	Learn about the products of wealth management
½ hour	Chapter 3	1. Profitability Trap 2. Hindrances to revenue generation	Learning revenue system of wealth managers
½ hour	Chapter 4	1. Eight Progressive profitability drivers	Understanding profitability drivers
1 hour	Chapter 5	1. Client segmentation 2. Client Acquisition 3. Client Development 4. Client Retention	Understanding the most important element – the client.
1 hour	Chapter 6	1. Product as a Profitability Driver 2. New Product & Services	Understanding emerging products and services of wealth management
1 hour	Chapter 7	1. Distribution Channel as a Profitability Driver 2. New and Emerging Channel and Management	Learn about the distribution channel as a profitability driver
1 hour	Chapter 8	1. Organization as a Profitability Driver 2. Asset Management	Learn about the wealth management organization as profitability drivers
1 hour	Chapter 9	1. Technology and Operation as a Profitability Driver 2. Smart Operational Sourcing 3. Lean Operations	Understand about the technology and operations as a profitability drivers

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1 hour	Chapter 10	1. Transformation of Business models	Learning new business models
1 hour	Chapter 11	1. Wealth Management Models in India	Learn about the various wealth management model of financial institutions
1 hour	Chapter 12	2. Need for dynamic needs based services 3. Traditional v/s needs based approach to client servicing	Understanding the difference between traditional and modern approach to wealth management and Client servicing.

Unit 10**Advanced Wealth Management**

This unit comprises of 15 marks which is divided in 5 MCQs of 4 Marks and builds a strong analytical and problem solving skills to understand a complex case study. Advanced Wealth management deals with understanding the person's Insurance requirement, His retirement needs, his investment portfolio and his estate considerations. His Financial goals are set and planner is suggested how to make a wealth plan for the client along with the recommendations.

Students are advised to study the concepts and calculations thoroughly for the case studies.

They are also advised to study and practise some another Financial Planning case study solutions from the Internet or another similar financial certifications.

Duration	Study Material	Important Topics	Remarks
1 hour	Chapter 1	<ol style="list-style-type: none"> 1. Wealth Management Process 2. Service Level Contract 3. Steps of Wealth Management Process 	Understanding Wealth management process
1 hour	Chapter 2	<ol style="list-style-type: none"> 1. Identification of Current Situation 2. CWM Tools 	Learn about how to identify the current situation of investors and CWM Tools
1 hour	Chapter 3	<ol style="list-style-type: none"> 1. Goals and Objectives 2. Life Cycle of Wealth Planning 3. Case Study 	Learn about the goals and objectives of investors through real life case study
1 hour	Chapter 4	<ol style="list-style-type: none"> 1. Analysis of Financial Issues and Opportunities 2. Wealth Planning Gap Analysis 3. SWOT Analysis 	Learn about the analysis of financial issues and opportunities of investors through real life case study
1 hour	Chapter 5	<ol style="list-style-type: none"> 1. Wealth Management Plan 2. Model Portfolios 	Learn about the wealth management plan through real life case study
1 hour	Chapter 6	<ol style="list-style-type: none"> 1. Implementation and Review of Wealth Management Plan 2. Rebalancing of Portfolios and Disciplines 	Learn about the implementation and review of wealth management plan of investors through real life case study
1 hour	Chapter 7	<ol style="list-style-type: none"> 1. Case Studies on Different aspects of Wealth Management 	Learn about the wealth management through real life case study

Reading the Text Books

1. Studying Wealth Management is not like reading a novel, or even like studying history, sociology or economics.
2. Each unit in the Text Book is built on the previous unit. If you do half hearted work in Unit 1 and Unit 2, you may be confused by Unit 3 and lost by unit 4.
3. Wealth management books are condensed. Each sentence in the Wealth management books have the potential to add something to your knowledge.
4. This is a technical subject, it is logical and it requires reasoning.
5. Strive to be able to say, "I understand why they do that?" If you can understand why in wealth management, there is very little to memorise.
6. Try to understand every concept in your own words. Putting the new ideas in your own words is better than reciting the words of the text hundred times.
7. Even though you understand why they do that in Wealth management, you must be able to do it by yourself.
8. To be sure that you understand how as well as why, work on the the problems that are given along with the reading material. Don't copy from the book. Try your own skills and then check your answers.
9. Go back to previous chapters and notes to refresh your memory. Rework problems that were difficult for you. Try to work on the extra problems available on the internet or from similar another Financial professional certifications.
10. Never wait till examination time to review your concepts. The REVIEW – AS – YOU - GO plan always produces better results. The forgetting curve is the mirror image of the Learning curve. You forget as fast as you learn.
11. Students are requested to study carefully the unit wise weightage explained in the starting of this study guide and then start studying according to it.
12. Focus more on the units and topics carrying higher weightage in the exam.

Preparing for the Exams

1. Be specific in your study. Concentrate on the things which seem to be most important.
2. Do not stop with just getting the idea. Be sure that you can work problems without the aid of the book. Practise by teaching the material to someone else.
3. This exam has an element of speed. Have your "hows" and "whys" at your fingertips. If you are slow, you probably need to study more.
4. The questions in Exams approach the Material from a slightly different angle to test your ability to reason and understand rather than your ability to memorize.
5. As, solving numericals take a lot of time in the exam, practise a lot at home so that your time can be saved. It is said that "If you work hard during the peace time, you will bleed less during the war". Try to set a time for yourself to complete a particular ques. It is sure that time taken at exam to solve that particular question will be less than time taken to solve the same question at home.
6. One size does not fit all. What may work for your friend may not work for you and vice versa. Think things through. Take feedback and guidance. But know whose advice you should take seriously.

During the Exam

1. While sitting for the exam, firstly give a Quick look on the full question paper so that you can get an idea about the level of exam and your take on the paper. Dont' begin to solve questions immediately.
2. Once you have got an idea, of the exam start answering the ones you are completely sure of.
3. The greatest weakness in a student's ability to take an exam is to keep up a good steady pace without the clock causing the student to panic. So, while giving exams, always keep an eye on the time and work according to it.
4. As CWM is a multi choice exam, carefully read the full question and then answer. Dont rush.
5. Don't panic if you think you do not know much. Just try your level best and focus more on what you know.
6. While solving, something on calculator use paper and pen too. Don't make the questions too complex.
7. The most satisfying is you do not have negative marking in these type of professional certifications. So just answer each and every ques. Don't skip any for who knows what lies within.
8. Once you have answered all the questions, quickly total the marks sum of all and set your target according to that.
9. Read and solve, numerical ques very carefully. Just dont skip any of the info provided.
10. Last but not the least, before submitting quickly take a review of all the questions once again and if marked properly.

Trust your instincts and you will surely clear the exam.

“AAFM INDIA WISHES YOU ALL THE VERY BEST FOR THE EXAM.”